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**FISCAL IMPACT STATEMENT**

**LS 6486**

**BILL NUMBER:** HB 1416

**NOTE PREPARED:** Feb 19, 2009

**BILL AMENDED:** Feb 19, 2009

**SUBJECT:** Notice of Driver's License Expiration Date.

**FIRST AUTHOR:** Rep. Pierce

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:**    **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** (Amended) This bill: (1) provides that if the holder of a driver's license or learner's permit has not renewed the driver's license or learner's permit, the Bureau of Motor Vehicles (BMV) shall provide notice of the expiration date of the driver's license or learner's permit to the holder of the driver's license or learner's permit during a specific period; (2) provides that an application for a commercial driver's license (CDL) from a holder of a CDL from another state be conducted in accordance with federal regulations.

**Effective Date:** (Amended) Upon passage; July 1, 2009.

**Explanation of State Expenditures:** (1) For the BMV, there will be a minimum cost of 42 cents per letter for the first-class postage, along with any other quantifiable costs associated with the production of the letter. The BMV has averaged approximately 1,000,000 expired licenses over the past two calendar years. Below is an estimate of the expenditures of notifying drivers of the pending expiration of driver's licenses and permits at various levels of required notifications.

<b>% Notified</b>	<b>Number</b>	<b>Est. Cost</b>
10%	102,069	\$42,869
25%	255,173	\$107,173
50%	510,346	\$214,345
75%	765,519	\$321,518
100%	1,020,692	\$428,691

**Explanation of State Revenues:** (Revised) (2) Eliminating the requirement of completion of a written and driving examination for a CDL in Indiana may provide for the issuance of additional CDLs that otherwise may not be issued if not for the new requirement. The specific impact is indeterminable. The following table shows the fees associated with a CDL and where the money is deposited.

Fees	to MVHA	to BMVC	to Tech Fund
CDL (4-year, \$30)	\$15	\$14.50	\$0.50
Amended CDL (4-year, \$20)	\$10	\$9.50	\$0.50
CDL Learner's Permit (\$16)	\$10	\$5.50	\$0.50
Amended CDL Learner Permit (\$10)	\$5	\$4.50	\$0.50

The fee for the CDL skills test is established by the tester and is not to exceed \$100.

(Revised) **Background Information:** The BMV has created myBMV. MyBMV is an enhanced, secure online service of the BMV, designed to be a virtual license branch for customers. One of the services provided is an email reminder for driver's license or registration expiration dates.

Regarding CDLs, in CY 2007, the state issued 20,234 new CDLs, along with 7,187 CDL duplicates and 71,611 renewals.

The Motor Vehicle Highway Account (MVHA) may be used for road construction, reconstruction, and maintenance for cities, towns, and counties. The MVHA also supports entirely the operation of the Bureau of Motor Vehicles, a significant part of the operation of the Department of Transportation, about 61% of the operation of the State Police, and part of the operation of the state Department of Revenue.

The BMV Tech Fund supports technology for the Bureau of Motor Vehicles.

The Bureau of Motor Vehicles Commission (BMVC) is supported by the state License Branch Fund, which operates the license branches throughout the state.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** BMV; Department of State Revenue;

**Local Agencies Affected:**

**Information Sources:** BMV driver's license data for CY 2006 and CY 2007; current postage costs; MyBMV; BMV Department of State Revenue CDL data for CY 07.

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